

INTERNAL SERVICE FUNDS

Internal Service Funds are established to account for the financing of goods or services rendered by one department or agency to other departments or agencies or to other governmental units on a cost-reimbursement basis.

Information Services Fund - To account for the cost of operating a central data processing facility for the City of Lincoln and Lancaster County. User City and County departments are charged for the resources used. Resources used are billed at cost plus an administrative overhead.

Engineering Revolving Fund - To account for the cost of operating a central engineering pool. Revenues are derived from billings to various capital improvement projects.

Insurance Revolving Fund - To account for the cost of providing a self-insurance program for workers' compensation, liability, property insurance, long-term disability and Blue Cross/Blue Shield Health Insurance Plan. Revenues are derived from billings to operating departments.

Fleet Services Fund - To account for the operation of a centralized maintenance facility for equipment used by other City departments, such as trucks, heavy equipment, miscellaneous other equipment and radio maintenance. Revenues are derived from billings to user departments.

Police Garage Fund - To account for the operation of a maintenance facility for the Police fleet and vehicles from various other City departments. Revenues are derived from billings to the Police and other user departments.

Communication Services Fund - To account for the costs of providing graphic arts and telecommunication services. Revenues are derived from billings to user departments.

Copy Services Fund - To account for the cost of providing copy services to the City of Lincoln and Lancaster County. User City and County departments are charged on a per copy basis.

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
AUGUST 31, 2004

	Information Services	Engineering Revolving	Insurance Revolving	Fleet Services
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 287,591	153,343	2,298,352	105,178
Investments	1,166,010	621,736	9,317,488	425,945
Accounts Receivable	43,805	206,700	796	43,160
Accrued Interest Receivable	6,234	1,599	63,413	1,373
Due from Other Funds	187,101	25,761	-	291,308
Due from Other Governments	434,487	74,801	-	6,715
Inventories	-	-	-	369,998
Prepaid Expenses	174,515	-	-	-
Total Current Assets	<u>2,299,743</u>	<u>1,083,940</u>	<u>11,680,049</u>	<u>1,243,677</u>
Noncurrent Assets:				
Capital Assets:				
Land	-	-	-	-
Buildings	26,485	-	-	-
Improvements Other Than Buildings	-	693,733	-	420,192
Machinery and Equipment	1,371,252	446,419	28,936	13,535,411
Less Accumulated Depreciation	(1,153,697)	(764,952)	(14,134)	(7,841,278)
Total Capital Assets, Net	<u>244,040</u>	<u>375,200</u>	<u>14,802</u>	<u>6,114,325</u>
Total Assets	<u>2,543,783</u>	<u>1,459,140</u>	<u>11,694,851</u>	<u>7,358,002</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	98,602	66,448	75,322	167,010
Accrued Liabilities	141,296	238,280	19,884	55,792
Accrued Compensated Absences	168,188	278,898	14,490	63,406
Due to Other Funds	2,850	15,927	766	4,098
Due to Other Governments	13	2,076	2,271	3
Unearned Revenue	-	946,596	-	-
Claims	-	-	2,335,986	-
Total Current Liabilities	<u>410,949</u>	<u>1,548,225</u>	<u>2,448,719</u>	<u>290,309</u>
Noncurrent Liabilities:				
Accrued Compensated Absences	9,901	93,845	-	52,640
Claims	-	-	2,659,135	-
Total Noncurrent Liabilities	<u>9,901</u>	<u>93,845</u>	<u>2,659,135</u>	<u>52,640</u>
Total Liabilities	<u>420,850</u>	<u>1,642,070</u>	<u>5,107,854</u>	<u>342,949</u>
NET ASSETS				
Invested in Capital Assets	244,040	375,200	14,802	6,114,325
Unrestricted	1,878,893	(558,130)	6,572,195	900,728
Total Net Assets	<u>\$ 2,122,933</u>	<u>(182,930)</u>	<u>6,586,997</u>	<u>7,015,053</u>

Police Garage	Communication Services	Copy Services	Total
317,734	14,423	66,178	3,242,799
1,288,425	58,700	268,607	13,146,911
28,081	1,588	1,230	325,360
7,368	352	1,713	82,052
234,130	6,067	21,761	766,128
223	3,122	22,209	541,557
81,774	-	-	451,772
-	-	-	174,515
1,957,735	84,252	381,698	18,731,094

48,250	-	-	48,250
346,661	-	-	373,146
49,234	-	-	1,163,159
4,748,370	61,820	-	20,192,208
(3,164,566)	(53,305)	-	(12,991,932)
2,027,949	8,515	-	8,784,831
3,985,684	92,767	381,698	27,515,925

109,643	2,795	28,031	547,851
31,682	4,370	1,475	492,779
31,682	2,501	367	559,532
12,710	-	-	36,351
-	-	-	4,363
-	-	-	946,596
-	-	-	2,335,986
185,717	9,666	29,873	4,923,458

29,214	6,655	-	192,255
-	-	-	2,659,135
29,214	6,655	-	2,851,390
214,931	16,321	29,873	7,774,848

2,027,949	8,515	-	8,784,831
1,742,804	67,931	351,825	10,956,246
3,770,753	76,446	351,825	19,741,077

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2004

	Information Services	Engineering Revolving	Insurance Revolving	Fleet Services
Operating Revenues				
Charges for Services	\$ 6,060,059	6,031,045	5,737,749	5,597,595
Operating Expenses				
Personal Services	3,312,902	5,371,012	418,273	1,371,075
Materials and Supplies	136,612	75,983	9,762	1,386,495
Other Services and Charges	2,821,147	1,189,057	5,226,137	1,429,823
Depreciation	172,069	66,586	1,724	1,187,089
Total Operating Expenses	<u>6,442,730</u>	<u>6,702,638</u>	<u>5,655,896</u>	<u>5,374,482</u>
Operating Income (Loss)	<u>(382,671)</u>	<u>(671,593)</u>	<u>81,853</u>	<u>223,113</u>
Nonoperating Revenues (Expenses)				
Investment Earnings	34,130	4,300	286,912	7,250
Gain (Loss) on Disposal of Capital Assets	(15,545)	-	-	50,748
Total Nonoperating Revenues (Expenses)	<u>18,585</u>	<u>4,300</u>	<u>286,912</u>	<u>57,998</u>
Income (Loss) Before Contributions and Transfers	(364,086)	(667,293)	368,765	281,111
Capital Contributions	-	-	-	211,932
Transfers In	-	451,553	2,284	-
Transfers Out	(5,850)	-	-	-
Change in Net Assets	<u>(369,936)</u>	<u>(215,740)</u>	<u>371,049</u>	<u>493,043</u>
Net Assets - Beginning	<u>2,492,869</u>	<u>32,810</u>	<u>6,215,948</u>	<u>6,522,010</u>
Net Assets - Ending	<u><u>\$ 2,122,933</u></u>	<u><u>(182,930)</u></u>	<u><u>6,586,997</u></u>	<u><u>7,015,053</u></u>

Police Garage	Communication Services	Copy Services	Total
<u>2,706,394</u>	<u>248,405</u>	<u>334,300</u>	<u>26,715,547</u>
786,833	139,452	41,532	11,441,079
810,463	4,241	126	2,423,682
456,187	116,309	319,014	11,557,674
698,318	2,319	-	2,128,105
<u>2,751,801</u>	<u>262,321</u>	<u>360,672</u>	<u>27,550,540</u>
<u>(45,407)</u>	<u>(13,916)</u>	<u>(26,372)</u>	<u>(834,993)</u>
34,206	1,506	7,654	375,958
4,529	-	-	39,732
<u>38,735</u>	<u>1,506</u>	<u>7,654</u>	<u>415,690</u>
(6,672)	(12,410)	(18,718)	(419,303)
3,780	-	-	215,712
-	-	-	453,837
-	-	-	(5,850)
<u>(2,892)</u>	<u>(12,410)</u>	<u>(18,718)</u>	<u>244,396</u>
<u>3,773,645</u>	<u>88,856</u>	<u>370,543</u>	<u>19,496,681</u>
<u><u>3,770,753</u></u>	<u><u>76,446</u></u>	<u><u>351,825</u></u>	<u><u>19,741,077</u></u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2004

	Information Services	Engineering Revolving	Insurance Revolving	Fleet Services
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 2,335,272	1,965,671	1,265,997	131,054
Receipts from Interfund Services Provided	3,484,634	4,852,231	4,470,971	5,179,964
Payments to Suppliers for Goods and Services	(2,799,598)	(628,282)	(5,465,328)	(2,624,026)
Payments to Employees	(3,270,106)	(5,288,018)	(412,430)	(1,352,470)
Payments for Interfund Services Provided	(128,691)	(643,277)	(125,467)	(177,191)
Net Cash Provided (Used) by Operating Activities	<u>(378,489)</u>	<u>258,325</u>	<u>(266,257)</u>	<u>1,157,331</u>
Cash Flows from Noncapital Financing Activities				
Transfers from Other Funds	-	451,553	2,284	-
Transfers to Other Funds	(5,850)	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(5,850)</u>	<u>451,553</u>	<u>2,284</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities				
Additions to Capital Assets	(188,661)	(2,867)	-	(1,307,748)
Proceeds from Sale of Capital Assets	-	-	-	108,586
Net Cash Used by Capital and Related Financing Activities	<u>(188,661)</u>	<u>(2,867)</u>	<u>-</u>	<u>(1,199,162)</u>
Cash Flows from Investing Activities				
Proceeds from Sale and Maturities of Investments	1,734,636	44,396	10,220,896	502,499
Purchases of Investments	(1,251,464)	(667,301)	(10,000,351)	(457,162)
Interest and Other Receipts	32,184	4,471	257,704	5,928
Net Cash Provided (Used) by Investing Activities	<u>515,356</u>	<u>(618,434)</u>	<u>478,249</u>	<u>51,265</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(57,644)	88,577	214,276	9,434
Cash and Cash Equivalents - Beginning	345,235	64,766	2,084,076	95,744
Cash and Cash Equivalents - Ending	<u>\$ 287,591</u>	<u>153,343</u>	<u>2,298,352</u>	<u>105,178</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ (382,671)	(671,593)	81,853	223,113
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	172,069	66,586	1,724	1,187,089
Changes in Assets and Liabilities:				
Accounts Receivable	(4,193)	455,329	(781)	(42,491)
Due from Other Funds	(31,302)	(24,924)	-	(238,378)
Due from Other Governments	(204,658)	(41,642)	-	(5,708)
Inventories	-	-	-	(25,262)
Prepaid Expenses	20,623	-	-	-
Accounts Payable	6,267	2,197	(204,839)	40,358
Accrued Liabilities	19,384	46,592	6,018	8,483
Accrued Compensated Absences	23,412	36,402	(175)	10,122
Due to Other Funds	2,645	(7,043)	(1,383)	2
Due to Other Governments	(65)	(1,673)	45	3
Unearned Revenue	-	398,094	-	-
Claims	-	-	(148,719)	-
Total Adjustments	4,182	929,918	(348,110)	934,218
Net Cash Provided (Used) by Operating Activities	<u>\$ (378,489)</u>	<u>258,325</u>	<u>(266,257)</u>	<u>1,157,331</u>
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:				
Contribution of Capital Assets	\$ -	-	-	211,932
Purchase of Capital Assets on Account	-	-	-	-
Change in Fair Value of Investments	3,239	(1,169)	13,908	752

Police Garage	Communication Services	Copy Services	Total
61,045	48,603	104,272	5,911,914
2,625,554	216,425	223,702	21,053,481
(735,080)	(125,499)	(306,317)	(12,684,130)
(773,657)	(140,207)	(43,921)	(11,280,809)
(517,405)	(6,704)	(9,312)	(1,608,047)
<u>660,457</u>	<u>(7,382)</u>	<u>(31,576)</u>	<u>1,392,409</u>
-	-	-	453,837
-	-	-	(5,850)
-	-	-	<u>447,987</u>
(618,014)	-	-	(2,117,290)
59,420	-	-	168,006
<u>(558,594)</u>	<u>-</u>	<u>-</u>	<u>(1,949,284)</u>
1,297,010	70,320	311,248	14,181,005
(1,382,851)	(63,002)	(288,293)	(14,110,424)
31,001	1,418	7,097	339,803
<u>(54,840)</u>	<u>8,736</u>	<u>30,052</u>	<u>410,384</u>
47,023	1,354	(1,524)	301,496
270,711	13,069	67,702	2,941,303
<u>317,734</u>	<u>14,423</u>	<u>66,178</u>	<u>3,242,799</u>
(45,407)	(13,916)	(26,372)	(834,993)
698,318	2,319	-	2,128,105
7,259	712	(281)	415,554
(27,215)	15,127	(2,810)	(309,502)
161	784	(3,235)	(254,298)
20,873	-	-	(4,389)
-	-	-	20,623
(19,407)	(11,624)	3,511	(183,537)
4,624	(915)	(135)	84,051
8,552	160	(2,254)	76,219
12,699	(29)	-	6,891
-	-	-	(1,690)
-	-	-	398,094
-	-	-	(148,719)
<u>705,864</u>	<u>6,534</u>	<u>(5,204)</u>	<u>2,227,402</u>
<u>660,457</u>	<u>(7,382)</u>	<u>(31,576)</u>	<u>1,392,409</u>
3,780	-	-	215,712
90,306	-	-	90,306
<u>1,540</u>	<u>107</u>	<u>456</u>	<u>18,833</u>

(THIS PAGE LEFT BLANK INTENTIONALLY)